

ALLURING TALES TOLD BY COMPANY

They Are Used to Sell
Alleged Worthless
Stock.

NOW GRAND JURY HAS TAKEN HAND

Seven Men, Members of Potomac Refining Company, Are Under Indictment for Swindling—Public Said to Have Been Robbed of More Than \$120,000.

(Special to The Times-Dispatch.)
Baltimore, Md., May 9.—Indicting one of the most sensational uses of the mails ever conducted by government officials in this State, came the indictment in this city to-day of seven men connected with the Potomac Refining Company, a corporation capitalized at \$1,500,000, the operations of which extended over all the country, but principally, it is said, in Pennsylvania, New York and Maine. One indictment, fifty-one pages in length, was returned by the special grand jury against Michael P. Kehoe, president of the company, a member of the Legislature; D. Harry Heaz, a physician of Covans, and treasurer; Louis F. Black, vice-president; Charles E. Sanker, secretary; Edward R. Cooper, manager; Robert W. Mowbray, general counsel, a member of the Baltimore bar; and a justice of the peace, A. B. Young, a stock salesman. All except Young are held on bail for trial.

For weeks past the Federal grand jury has been working on the evidence collected by the district attorney's office with the assistance of United States postal inspectors.

Story of Alleged Swindle.

The unravelling of the alleged swindle is a story which would fill a book. On the strength of false representations the company is said to have made, it has taken from the public already over \$120,000, and the investigators of the scheme declare that it is not known how many more blocks of stock were contracted for when the authorities fell upon the scheme. The grounds upon which the charges are made are securing money under false pretenses, conspiracy to defraud, and using the government mails for fraudulent purposes.

Chief among the supposed victims are Joseph B. Black and Richard M. Tatum, of Philadelphia; Geo. P. Whitney, of Bristol, Va.; and M. C. Fennell, of Orono, Maine. These men head a long list, and are named in the proceedings instituted by the government against the alleged swindlers.

Based upon alleged mythical properties containing marvelous stories of "miraculous" manganese, iron ore and copper—the stories of the great mines of Washington county, Md., were thrown broadcast over the country by A. B. Young, the New Yorker, who was made advertising manager of the company, and promised a 50 per cent. bonus on all of his sales.

From the numerous charges made by the government officials, it is learned that the Potomac Refining Company, a \$225,000 corporation, which obtained its charter in 1908, was reorganized in 1910 by the men named in the indictment. The capital stock, it is alleged, was increased to \$1,500,000, and the name of the company changed to the Potomac Refining Company. Five dollars was the par value placed on the preferred stock, of which 120,000 shares were issued, and \$1 was the par value of each of the 900,000 shares of common stock.

Had Many Indorsements.

Fortified with indorsements from Governors, Mayors, bankers, judges, business men, clergymen and other persons of station, the officials of the company, it is charged, were able to worm their way into the confidence of prospective purchasers of the company's stock. That this stock, of which it is said more than \$110,000 has been sold, is almost worthless, and that the \$1,500,000 company has never had anything like the assets to support either its stock or its astounding claims, are charges made in its literature, are charges which have led to the indictment.

The government officials say that at the time of the first representations the company had merely entered into an agreement to buy some property near Harper's Ferry. Since that time it is said to have secured an old time plant worth about \$1,000.

Three handsome books, eloquently describing the wealth that was to be had almost for the asking in Washington county, Md., were distributed. Claiming to own deposits worth millions of dollars, that could not be exhausted in centuries, the Potomac Refining Company is said to have lured many to believe that it was worth hundreds of millions of dollars.

"Sixty Dollars a Minute" is the title of one of the books issued by the company. Another explains how to do business in millions, and the third is equally alluring. Each of the books contains pictures of the manner in which the Potomac Refining Company was said to be almost daily turning out fortunes. Pages are devoted to "State-ments" of the company's financial condition. One statement shows that the company had developed materials on hand on June 1, 1910, worth the sum of \$9,816,500, and another modest statement is to the effect that the company owned \$103,155,000 worth of raw material, taken from the fabulously wealthy mines that the company claimed were located in Washington county.

Alluring Tales Told.

And in the same books that tell the alluring tales of the untold millions buried in unsuspecting Washington

PEOPLE WARNED TO SEEK SAFETY

Irwinville Threatened
by Rapidly Rising
Water.

CONDITION HAS GROWN CRITICAL

General Situation in Flooded Mississippi Valley Shows Little Improvement, Although Sunshine Brings Renewed Hope That Worst Is Over. 17,000 Persons Homeless.

New Roads, La., May 9.—A sand boil developed late today in the Irwinville levee, on the Mississippi, six miles from this place. The Torras water is rising against the hastily constructed protection levee about the town. Lieutenant Weeks, who is in charge of the rescue corps here, has warned the people that conditions are serious, and that they must get out at once.

Conditions Slightly Better.

Washington, May 9.—The cold, official facts exhibited in the reports of the army engineer officers, free from the influence of local excitement, are that conditions have slightly improved within the last twenty-four hours in the flooded district of the Mississippi Valley. Major Sherrell, at New Orleans, has inspected the levees from fifty miles below that city, and found them in improved condition. The levee at Metairie is being held against the greatest odds, and the conditions are as bad in the neighborhood of Plaquemine.

Further north in the Memphis section, Major Smith reports an improvement in the situation, though water is still running through the existing crevasses.

Contending for liberal appropriations for the Mississippi River in the river and harbor appropriation bills, Senator Percy, of Mississippi, to-day declared that the money loss caused by the present floods was twice as great as the cost of a complete levee system down from Cairo. He said the loss on the cotton crop alone would amount to \$50,000,000. Mr. Percy urged the rapid improvement of the Mississippi levees as most economical. Saying that the maintenance of the levee system was beyond the power of the people of the section, he declared that if Congress should announce a policy of withdrawing aid the region would become a waste.

Day Without Incident.

New Orleans, La., May 9.—Other than the rescue of marooned persons in the overflowed sections and the closing of an incident created by the rising of the mouth of the Mississippi River, the Louisiana flood situation to-day was without incident. Workmen were engaged at nearly all doubtful places between Natchez and New Orleans, taking advantage of the fair weather in strengthening embankments.

Rescuers in and near Littleworth, where the Torras crevasse has spread water over portions of two parishes, have about completed their work and turned their attention elsewhere. Water over the Torras levee has risen three inches at Morgana to-day. Railroads in that section are paralyzed by the washouts.

Refugees are continuing to pour into Baton Rouge, Opelousas and other concentration camps, whence they are charged to places less congested. Few refugees arrived at New Orleans to-day, because train service there had to be suspended.

Lieutenant H. J. Weeks, in charge of the rescue corps at Morgana, to-day received a telegram from Batchelor to the effect that the country was well cleared of refugees, and that the motorboats would go to Morgana.

For the first time in weeks the United States engineers here, who have been working incessantly, to-day took advantage of the respite. With a few more days' such lull, it was the opinion that the probability of more serious crevasses was remote.

At New Orleans the river stage at 7 o'clock to-night was 21.4 feet, no change having been recorded since 7 A.

Probably 200 workmen still are employed on the levee in the third district near the American Sugar Refinery. Those in charge stated that this levee would be filled out as far as the revetment as a precaution, and that the activity did not indicate that the embankment was weak.

The break at Illiya on the west bank was discovered about 5 o'clock this morning and was about ten feet in width. Emergency gangs were put to work immediately, and the hole was stopped.

Flood Makes 17,000 Homeless.

Baton Rouge, La., May 9.—Approximately 17,000 persons are homeless by the crevasse at Torras, La., and 12,000 are drawing regular subsistence from the United States government, according to figures in the Governor's office, and in the office of Captain Logan, in charge of the United States army relief and rescue work. Probably 4,500 of these are in Baton Rouge. Five thousand are caring for themselves.

The thousands made homeless by the Panther Forest, Dog Tail and other crevasses have not been accounted for officially, and it will probably require weeks to ascertain approximately the number of persons who were forced to flee their homes before the rush of the waters from the Mississippi River. Many thousands are in Vicksburg, Natchez and other Mississippi cities.

Seven deaths, three of them white, have been accounted for. There have been numbers of deaths, but verification up to the present has been impossible. Activity to-day was centered on get-

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VOTES TO ABOLISH COMMERCE COURT

House Adopts Proposals
That Are Revolutionary.

PASS MEASURE FORMALLY TO-DAY

It Also Votes to Create Bureau of Foreign and Domestic Commerce to Replace Tariff Board, and to Concentrate Distribution of Public Documents.

Washington, May 9.—Revolutionary proposals such as have not been grouped in any bill passed by the present session of Congress were adopted by the House to-day in legislative, executive and judicial appropriation bill. The measure will be voted on and probably passed formally to-morrow. The bill now proposes:

Abolition of the United States Commerce Court and the restoration to the Interstate Commerce Commission of all railroad regulatory power, subject to appeal only to United States district courts.

Creation of a bureau of foreign and domestic commerce, with all the present powers of the so-called Tariff Board, to be under the jurisdiction of the Secretary of Commerce and Labor. The new bureau would absorb the Bureau of Trade Relations of the State Department and the Bureau of Manufactures and Statistics of the Department of Commerce and Labor.

Concentration of the distribution of public documents, of which millions annually are sent from Washington, in the Government Printing Office.

In addition to these three principal changes in the operation of the government, the House overturned the committee in charge of the bill in a number of instances. After a bitter fight the House defeated a proposal to abolish the mints at San Francisco, New Orleans and Carson City and the assay offices at Boise, Charlotte, N. C., Deadwood, S. D., Helena, Mont., Seattle, Wash., and Salt Lake City.

The defeat in the Democratic ranks caused an outbreak in the closing hours of the session, which lasted from 11 o'clock this morning until 1 o'clock to-night.

The fight for the abolition of the Commerce Court was led by Representative Sims, of Tennessee, Democrat, who framed the resolution abolishing that tribunal. He was opposed by Representatives Driscoll, of New York, and Stevens, of Minnesota, Republicans, but when the provision was adopted 120 to 59, many Republicans voted with the Democrats.

When the House adjourned at 5 o'clock it was with the general understanding that the formal passage of the measure would follow to-morrow.

Defense of Stimson.

Washington, May 9.—A strong defense of Secretary Stimson and an attack on the majority of the House Military Affairs Committee for its report on the circumstances which led to the retirement of Adjutant-General Ainsworth, after a threatened court-martial, were contained in a report submitted to the House to-day by the minority members of the committee. The minority report declared that the majority exceeded its authority and framed a report containing "intemperate statements." The minority report held that the committee exceeded its jurisdiction in reviewing the conduct of General Ainsworth.

"What would become of the discipline of our fighting force if Congress or its committees should deem themselves free to take up cudgels against the commander-in-chief on behalf of an officer whom he has disciplined?" demanded the report. "We submit that the majority report on its face shows itself to be a wholly unconstitutional attempt to assert powers not within the jurisdiction of the committee."

In conclusion, the minority report upheld the conduct of Secretary Stimson toward General Ainsworth. "A consideration of the entire record," it concluded, "makes it clear to us that the adjutant-general was not unfairly treated. There was no garbling of evidence or distortion of language in the majority report. The record shows that the Secretary of War went to almost the extreme of leniency. While we regret that a long and faithful service should have terminated under a cloud the officer, who virtually admitted his fault by his unwillingness to submit his conduct to a court composed of his peers, cannot now complain of being badly treated."

Appropriation Increased.

Washington, May 9.—The river and harbor appropriation bill was passed by the Senate to-day, amended to carry \$8,600,000 more than as passed by the House and making a total of about \$33,000,000.

The principal increase was \$2,500,000 to the House provision of \$5,500,000 for improving the Mississippi. The relation of that item to the flood situation caused a long debate, which took up most of to-day's session.

The balance of the increase made by

(Continued on Third Page.)

YOUNGS ELECTED HEAD OF VETERANS

Kentucky Soldier Unanimous Choice for Commander-in-Chief.

HIGH HONOR FOR GENERAL WALKER

Title of "Life Honorary Commander" Created and Bestowed Upon Retiring Officer—Reunion Comes to Climax With Parade of 7,000 Who Fought for South.

Macon, Ga., May 9.—After creating the title of "Life honorary commander" and bestowing it on General C. Irvine Walker, retiring commander-in-chief, the United Confederate Veterans, in their final session to-day, stampeded for General Hunter H. Young, of Louisville, Ky., who was named commander for the next year. General W. K. Van Zandt, of Fort Worth, Texas, also a candidate for the honor, gracefully withdrew from the race, and General Young's election was made unanimous.

Aside from the election, the annual parade and review of the past thirty-three ranks of the Confederacy was the feature of the day. Fully 7,000 of the old soldiers of the sixties were in line, and the procession, always the dramatic climax of the reunion, drew hundreds of thousands from all over the Southland to the line of march.

Annual Ball Closes Reunion. To-night the veterans' annual ball to the sponsors, matrons and maids, brought the reunion week to a close, and during the night several of the delegates and visitors to their homes. The general reunion committee announced to-night that fully 60,000 visitors had been cared for during the week, and that accommodations for fully 10,000 more never have been needed for.

Not a veteran has died during the present reunion, which is said to be a record unsurpassed by any reunion of the past. Although a warm sun shone throughout the day and the line of march of the parade was sixteen blocks long, it was said to-night that not a veteran was cared for by the ambulance corps or emergency hospitals.

Always the spectacular feature of the reunions, the parade to-day was no less impressive than those of other years, despite the fact that the ranks of some of the regiments were thinned by the Grim Reaper and many who marched before have answered to their last "taps."

The broken tramp of the gray-clad warriors of the Lost Cause and the sight of many bullet-torn flags made a historical pageant which brought vividly to mind the great struggle of the South, the sun of the Confederacy which rose so brightly at Bull Run, attained its zenith at Chancellorsville and set in sombre glory at Appomattox.

A few men from every one of the rebel armies were present, as well as "Boys" from the Army of Northern Virginia, who went through the memorable campaigns of Lee, Jackson and Joseph E. Johnston; those who followed the banner of Albert Sydney Johnston in the battle of Shiloh; a few of the "Price" volunteers from Missouri, and those who in Texas were with Kirby Smith, the last to surrender.

Several thousand Georgians composed the largest delegation from any one State. Probably the most interesting body of veterans was the detachment of Forrest's Cavalry, which headed the line of march. Accompanying it was little Nathan Bedford Forrest, grandson of the great leader of the same name, dressed in the uniform of a major-general, C. S. A.

Parade Mile Long. The parade, including the automobiles and carriages carrying civilians, sponsors of the reunion and members of organizations affiliated with the United Confederate Veterans, was more than a mile long, and would through sixteen blocks of the city's shaded streets.

Early in the convention of the veterans this morning, the sentiment in favor of General Young, retiring commander-in-chief, seemed dominant. Repeatedly speakers were interrupted by long cheers for the Kentucky veteran, and when the nominations began there were frequent demands that a vote be taken.

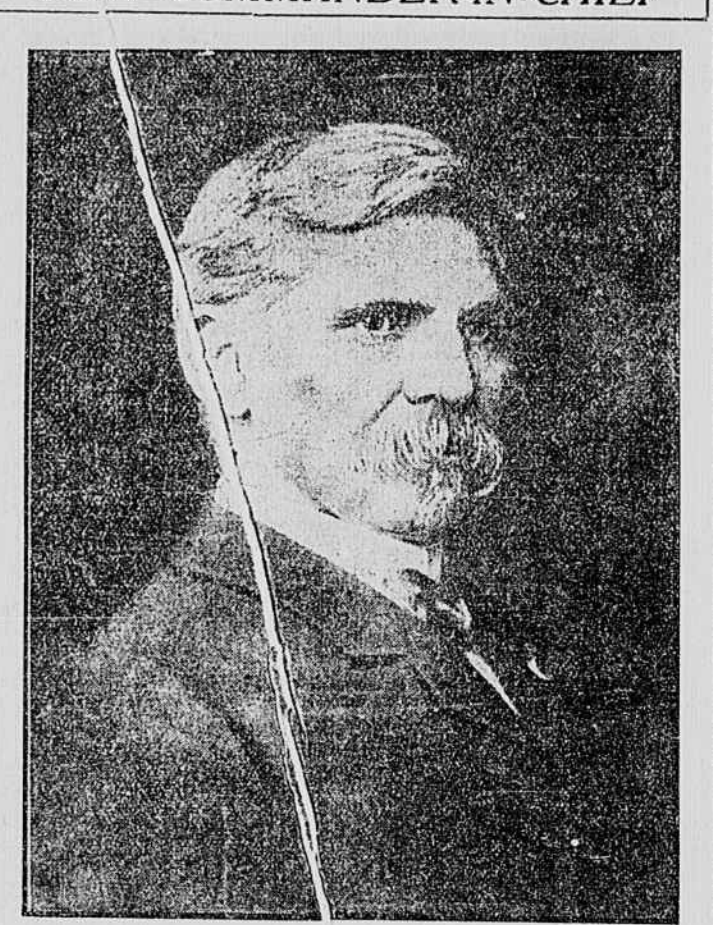
General Walker was nominated in a glowing speech by General White, commanding the Army of Virginia, and by General Teague, of South Carolina. General Wells, of Jackson, Miss., and by H. A. Herbert, of Alabama. A dozen sturdy Texans put forward the name of General Van Zandt.

While speeches were in progress, Generals Walker and Van Zandt withdrew from the contest. The unanimous election of General Young followed. Mickie, General Walker, retiring commander-in-chief, was elected honorary commander-in-chief for life. Other officers elected follow:

General Theodore Garnett, Norfolk, Va., commander Army of Northern Virginia; George B. Harrison, Opelika, Ala., commander Army of Northern Virginia.

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NEW COMMANDER-IN-CHIEF



GENERAL BENNETT H. YOUNG.

TELLS LIE, PLAIN AND UNVARNISHED

That Is Answer Made to Charge Brought by William J. Bryan.

DEVANNEY IS EMPHATIC

Denies That He Sought to Buy Delegates Pledged to Nebraska.

Columbus, O., May 9.—Charges from William Jennings Bryan made at Fladway, O., that friends of Governor Harmon had sought to purchase Bryan-pledged delegates to the 1908 convention, stirred the Ohio Executive to a telegraphic denial to-day, and brought about the publication of the letter on which, he says, the charges were based.

The letter was made public here by Harvey Garner, who said it was addressed to State Senator Frank T. Dore, of Tiffin. It was signed by Michael Devanney, of Cincinnati, and was in part:

"Cincinnati, June 29, 1908.

"Dear Sir: In a conference with our mutual friend, Mr. —, of —, he advises me you were in touch with the two delegates from the — district. He advised that you see Mr. —, of —, and have him see the delegate of that place, whose name he did not remember, and have him, together with Mr. —, of —, meet Mr. —, of Columbus on the evening of July 2, so that arrangements may be made for the trip to Denver.

"By this letter, my dear Mr. —, you will see there is something doing, and whilst indorsements have been given in your district, I hope that your two delegates can see their way clear to vote for Judge Harmon on the first ballot at Denver."

Mr. Garner is a member of the Democratic national committee. He declined to make known the names of those involved in the letter.

Governor Harmon to-day sent a telegram to Colonel Bryan denying charges made by Mr. Bryan that friends of the Governor had tried to purchase Bryan delegates in 1908. He said:

"I repeat that no one authorized by me or with my knowledge or consent ever tried to purchase delegates. I never heard of such a thing except from your statement yesterday. At the date you mentioned I had accepted the nomination for Governor and was making no effort for the presidential nomination. If you have a letter showing what you say why don't you publish it? The people are entitled to the facts, and I wish them to be known."

"Plain, Unvarnished Lie."

Cincinnati, May 9.—Michael Devanney, campaign manager for Governor Harmon, made an emphatic de-

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STRICKEN JUDGE SAID HE WAS SHOT BY SIDNA ALLEN

Daniel Thomas Repeats
Masie's Ante-Mortem
Declaration.

WITNESS TELLS DRAMATIC STORY

Defense Continues Its Efforts to Disprove Charge of Conspiracy—All Evidence Expected to Reach Jury by To-Night—Incendiary Talk Stirs Court.

By ALEXANDER FORWARD.

Wytheville, Va., May 9.—"I'm dying; oh, I'm dying. Sid Allen shot me." This was the ante-mortem declaration of Judge Thornton L. Masie, made a few moments before he paid with his life for his fidelity to justice and for his fearlessness in enforcing the law in Carroll county. Evidently Judge Masie knew that the fatal shot had come from the corner of the room where, it has been repeatedly testified, Sid Allen and Claude Swanson Allen, standing together, conducted their part of the firing. There is strong evidence to the effect that Claude fired the bullet which ended the jurist's life, so that the latter may have been, and probably was, mistaken.

With tears streaming down his cheeks Daniel Thomas an aged citizen of Carroll gave this afternoon by far the most dramatic account yet heard of the Hillsville court room tragedy. He it was who ministered to Judge Masie in his dying moments. This witness also gave the stark indication that the judge had reason to expect his death. A motion for bail following the convention of Floyd Allen for felony and pending the argument as to a new trial had just been denied.

"All was silent," said Mr. Thomas. "Judge Masie said nothing for half a minute. Then he said to me: 'Sheriff, take charge of the prisoner.'"

Witness for Defense.

Mr. Thomas was introduced as a witness for the defense. He was in the rear of the court room, and thought the first shot was fired between his position and the clerk's desk, which was where the officers were. He stuck to his statement, but the weight of evidence, including that of many of the defense's own witnesses, is against him, and to the effect that Sidna Allen and Claude Allen began the firing.

Most of the details, as seen by Mr. Thomas, have been told and retold. He went into the affair with great circumstantiality. After helping out of the court room a woman who was pleading for protection for her baby, the witness returned to the court room. He saw Judge Masie in his huddled position on the floor. Mr. Thomas went to assist him. Judge Bowen came out of the bar and went first to the body of Sheriff Webb. He said: "Low, are you dead?" Then he looked at Juror Fowler, who was standing by the door. Then both attended to Judge Masie, and while Judge Bowen went for a physician, Mr. Thomas heard the dying declaration of the man who had looked death in the face in the call of duty.

Only four witnesses remain to be put on the stand by the defense. They were not at hand to-day, and court adjourned at 5 o'clock. Including rebuttal and sur-rebuttal, all evidence in the trial of Floyd Allen for the murder of W. M. Foster should be before the jury to-morrow night, unless Foster's future good behavior is examined at great length. He may be the last witness.

Incendiary Talk.

"I hope Floyd Allen will put a bigger hole in the Wythe courthouse than he ever did in the one in Carroll," is the remark attributed today to Campbell Crowder, a citizen of Wytheville. Crowder was taken before Judge Staples by Baldwin-Felts detectives and invited to explain. He was absent in his apologies, and the court suspended a contempt sentence conditioned upon Crowder's future good behavior. Incendiary talk of this character would not be tolerated, said the judge.

Jasper (Jack) Allen was on the stand to-day, but his evidence was not remarkable. He told of sending money to cover by his son, Friel, who is charged with being one of the conspirators. This is intended to show why Friel was sent to Hillsville at the time of the shooting. It was also proven that Sidna Allen had made bank deposits during the few days immediately preceding the tragedy.

One other witness besides Mr. Thomas had thought the first shots came from where the officers were, but he was not sure.

Altogether the defense is not being complimented on the strength of its case. Conviction is confidently expected by the attorneys for the Commonwealth. Character witnesses were put on the stand only as regards Victor, Claude and Friel Allen, charged as conspirators.

A witness for the defense told of a new feature in describing how Foster was shot at in the rear of the court room, when already mortally wounded, by a young and small man, supposed to be Friel Allen, and located where he has been placed by many witnesses.

Character Witnesses.

Character witnesses took up a large part of the morning session of the court. The first witness was Judge D. W. Bowen, who said Victor M. Allen had a reputation as a good and law-abiding citizen. He had never heard Claude Allen discussed. Friel Allen, he understood, a good reputation at school. Floyd Allen, said Judge Bowen, lives in a neat, comfortable home, which shows evidence of thrift and industry.

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FASHION SUPPLEMENT

On Sunday there will be printed a Special Colored Supplement to The Times-Dispatch showing the

Summer Fashions

This excellent feature is especially for the woman readers of this paper. It will appear once a month, showing in detail the very latest fashions and modes.

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